

POST BUYBACK PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF BHARAT ELECTRONICS LIMITED

This public announcement (the “Post Buyback Public Announcement”) is being made pursuant to the provisions of Regulation 19(7) of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the “Buyback Regulations”). This Post Buyback Public Announcement should be read in conjunction with the Public Announcement dated January 30, 2018 and published on February 1, 2018 (the “Public Announcement”) and the Letter of Offer dated February 22, 2018 (the “Letter of Offer”). The terms used but not defined in this Post Buyback Public Announcement shall have the same meanings as assigned in the Public Announcement and the Letter of Offer.

1. THE BUYBACK

- 1.1 Bharat Electronics Limited (the “Company”) had announced the Buyback of not exceeding 2,03,97,780 (Two Crore Three Lakh Ninety Seven Thousand Seven Hundred Eighty) fully paid-up equity shares of face value of ₹ 1 each (“Equity Shares”) from all the existing shareholders / beneficial owners of Equity Shares as on the record date (i.e. Friday, February 9, 2018), on a proportionate basis, through the “Tender Offer” process at a price of ₹ 182.50 (Rupees One Hundred Eighty Two and Fifty Paise Only) per Equity Share payable in cash for an aggregate consideration not exceeding ₹ 372,25,94,850 (Rupees Three Hundred Seventy Two Crore and Twenty Five Lakhs Ninety Four Thousand Eight Hundred and Fifty Only) (“Buyback Offer Size”). The Buyback Offer Size represents 5.00% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone financial statements of the Company for the financial year ended March 31, 2017 (the last audited financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per standalone audited financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act, 2013. The maximum number of Equity Shares proposed to be bought back represents 0.83% of the total number of Equity Shares in the issued, subscribed and paid-up equity share capital of the Company.
- 1.2 The Company has adopted Tender Offer route for the purpose of Buyback. The Buyback was implemented using the “Mechanism for acquisition of shares through Stock Exchange” as provided under Buyback Regulations and circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by Securities and Exchange Board of India (“SEBI Circulars”).
- 1.3 The Buyback Offer opened on Monday, March 5, 2018 and closed on Friday, March 16, 2018.

2. DETAILS OF BUYBACK

- 2.1 The total number of Equity Shares bought back under the Buyback Offer are 2,03,97,780 (Two Crore Three Lakh Ninety Seven Thousand Seven Hundred Eighty) Equity Shares at a price of ₹ 182.50 (Rupees One Hundred Eighty Two and Fifty Paise Only) per Equity Share.
- 2.2 The total amount utilized in the Buyback of Equity Shares is ₹ 372,25,94,850 (Rupees Three Hundred Seventy Two Crore and Twenty Five Lakhs Ninety Four Thousand Eight Hundred and Fifty Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.
- 2.3 The Registrar to the Buyback Offer i.e. Integrated Registry Management Services Private Limited (the “Registrar to the Buyback Offer”) considered 40,665 valid bids for 20,33,26,130 (Twenty Crore Thirty Three Lakh Twenty Six Thousand One Hundred Thirty) Equity Shares in response to the Buyback, resulting in the subscription of approximately 9.97 times of the maximum number of shares proposed to be bought back. The details of valid bids received by the Registrar to the Buyback Offer* are as follows:

Category of Investor	No. of Equity Shares reserved in Buyback	No. of Valid Bids	Total Equity Shares Validly tendered	% Response
General category of other Shareholders	1,73,38,113	3,443	18,85,23,244	1,087.33
Reserved category for Small Shareholders	30,59,667	37,222	1,48,02,886	483.30
Total	2,03,97,780	40,665	20,33,26,130	996.80

* As per the certificate dated March 21, 2018 received from Integrated Registry Management Services Private Limited.

- 2.4 All valid bids have been considered for the purpose of Acceptance in accordance with the Buyback Regulations and Paragraph 19 of the Letter of Offer. The communication of acceptance / rejection has been dispatched by the Registrar to respective Shareholders by February 23, 2018.
- 2.5 The settlement of all valid bids was completed by the Indian Clearing Corporation Limited (“Clearing Corporation”) / BSE Limited on March 23, 2018. Clearing Corporation has made direct funds payout to Eligible Shareholders whose shares have been accepted under the Buyback. If shareholders' bank account details were not available or if the funds transfer instruction were rejected by Reserve Bank of India / Bank, due to any reason, then such funds were transferred to the concerned Shareholder Brokers/ custodians for onward transfer to their respective shareholders.
- 2.6 Demat Equity Shares accepted under the Buyback have been transferred to the Company's demat escrow account on March 23, 2018 and valid physical Equity Shares tendered in the Buyback have been accepted. The unaccepted Equity Shares have been returned to respective Shareholder Brokers / custodians by the ICCL / BSE on March 23, 2018.
- 2.7 The extinguishment of 2,03,97,780 Equity Shares accepted under the Buyback in dematerialized form is currently under process and shall be completed by March 27, 2018.

3. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 3.1 The capital structure of the Company, pre and post Buyback Offer is as under:

(Equity Shares have a face value of ₹ 1 each)

Particulars	Pre Buyback		Post Buyback*	
	No. of Equity Shares	Amount in lakh (₹)	No. of Equity Shares	Amount in lakh (₹)
Authorized share capital	250,00,00,000	25,000	250,00,00,000	25,000
Issued, subscribed and paid up share capital	245,69,90,723	24,570	243,65,92,943	24,366

* Subject to extinguishment of 2,03,97,780 Equity Shares

- 3.2 The details of the Shareholders / beneficial owners from whom Equity Shares exceeding 1% of the total Equity Shares bought back have been accepted under the Buyback Offer are as under:

Sr. No.	Name of the Shareholder	No. of Equity Shares accepted under the Buyback	Equity Shares accepted as a % of total Equity Shares bought back	Equity Shares accepted as a % of total post Buyback Equity Shares
1.	President of India acting through Ministry of Defence, Government of India	1,19,45,469	58.56	0.49
2.	SBI Blue Chip Fund	5,02,123	2.46	0.02
3.	Kotak Select Focus Fund	3,84,460	1.88	0.02
4.	HDFC Standard Life Insurance Company Limited	2,69,713	1.32	0.01
5.	ICICI Prudential Value Discovery Fund	2,31,712	1.14	0.01
6.	HDFC Trustee Company Limited - HDFC Tax	2,28,537	1.12	0.01

- 3.3. The shareholding pattern of the Company pre-Buyback (as on Record Date i.e. Friday, February 9, 2018) and post Buyback is as under:

Particulars	Pre Buyback		Post Buyback*	
	No. of Equity Shares	% of the existing Equity Share Capital	No. of Equity Shares	% of the post Buyback Equity Share Capital
Promoters	163,93,20,397	66.72	162,73,74,928	66.79
Foreign Investors (including Non Resident Indians, FIs, FPIs and Foreign Mutual Funds)	18,66,47,675	7.60	80,92,18,015	33.21
Financial Institutions / Banks / Mutual Funds promoted by Banks / Institutions	41,31,82,588	16.81		
Other (public, public bodies corporate etc.)	21,78,40,063	8.87		
Total	245,69,90,723	100.00	243,65,92,943	100.00

* Subject to extinguishment of 2,03,97,780 Equity Shares

4. MANAGER TO THE BUYBACK OFFER



IDBI CAPITAL MARKETS & SECURITIES LIMITED (Formerly known as IDBI Capital Market Services Limited)

3rd Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021.

Contact Person: : Priyanka Shetty / Sumit Singh | Tel: +91 (22) 4322 1212 | Fax: +91 (22) 2285 0785

E-mail: bharat.buyback@idbicapital.com | Website: www.idbicapital.com

SEBI Registration Number: INM000010866 | Validity period: Permanent | CIN: U65990MH1993GOI075578

5. DIRECTORS' RESPONSIBILITY

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Post Buyback Public Announcement and confirms that the information in this Post Buyback Public Announcement contain true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of Bharat Electronics Limited

Sd/- M. V. Gowtama Chairman and Managing Director DIN: 07628039	Sd/- Koshy Alexander Director (Finance) DIN: 07896084	Sd/- S. Sreenivas Company Secretary
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